



# Update

December 2007

2007

## AWARD RECIPIENTS ANNOUNCED

President George W. Bush and Commerce Secretary Carlos M. Gutierrez announced on November 20 that five organizations are the recipients of the 2007 Malcolm Baldrige National Quality Award, the nation's highest Presidential honor for organizational performance excellence. For the first time in the history of the Baldrige Award, nonprofit organizations have been selected.

The 2007 Baldrige Award recipients are one small business, two nonprofit organizations, and two health care organizations:



**PRO-TEC COATING CO.**, of Leipsic, Ohio, provides world-class, hot-dipped galvanized coated sheet steel primarily to the most demanding customers and applications in the automotive market. Established in 1990 as a joint venture between United States Steel Corp. and Kobe Steel of Japan, PRO-TEC continues to operate under the joint venture agreement.



**MERCY HEALTH SYSTEM** of Janesville, Wisconsin, is a vertically integrated health system that provides services to residents in southern Wisconsin and northeastern Illinois. Hospital-based services include three hospitals; clinic-based services include 285 employed physicians at 38 community clinics; and post-acute care/retail services include subacute care services, long-term care services, home health services, a community-based residential facility with hospice beds, a "health mall," and six retail pharmacies. In addition, Mercy operates an insurance company.



**SHARP HEALTHCARE** of San Diego, California, is an integrated health care delivery system that provides a full continuum of care through its four acute care hospitals, three specialty hospitals, three affiliated medical groups, 19 outpatient medical clinics, and a health insurance plan.



**CITY OF CORAL SPRINGS** of Coral Springs, Florida, is a municipal corporation—a city government following a corporate management model. Coral Springs is a centrally planned community incorporated in July 1963. The city is 23.93 square miles with 54 percent of the land designated as residential land use. The population of 131,257 makes it the 4<sup>th</sup> largest city in Broward County and the 13<sup>th</sup> largest in the state of Florida.



**U.S. ARMY ARMAMENT RESEARCH, DEVELOPMENT AND ENGINEERING CENTER (ARDEC)**, of Picatinny Arsenal, New Jersey, is the research and development center for armaments used by the U.S. Army, Special Operations Command, and other organizations. ARDEC's purpose is to provide battlefield supremacy for U.S. troops through "overmatch capabilities."

"Congratulations to the recipients of the 2007 Malcolm Baldrige National Quality Award," said President Bush. "Hard work, innovation, and the entrepreneurial spirit reflect the values that make our country strong. Twenty years ago, the Baldrige Award was established to honor American organizations that demonstrate a strong commitment to quality and performance excellence. This year's Baldrige Award recognizes business, health care, and nonprofit organizations for their leadership and management and their focus on putting people first."

"I appreciate the honorees for your dedication to excellence and contributions to America's competitive strength. Your efforts reflect the best of our Nation and help build a more prosperous future for our country," Bush added.

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"I am pleased to join President Bush in congratulating the five outstanding organizations that have been named to receive this year's Baldrige Award," said Secretary Gutierrez. "The organizations we recognize today have given us superb examples of innovation, excellence, and world-class performance. They serve as role models for organizations of all kinds striving to improve effectiveness and increase value to their customers."

Eighty-four organizations, spanning every sector, applied this year for the Baldrige Award. Forty-two applications were received from the health care sector, 16 from education, 13 from nonprofit, 7 from small business, 4 from service, and 2 from manufacturing. As a result of a major change in the Award process, all applicants received both Independent and Consensus reviews from a team of Examiners. Of the Award applicants, 14 organizations received site visits: 7 health care, 4 nonprofit, 2 small businesses, and 1 education organization.

For more information on the 2007 Baldrige Award recipients, please visit our Web site at [www.baldrige.nist.gov](http://www.baldrige.nist.gov) or call (301) 975-2036.

### Update Your Contact Information Before the Award Ceremony

We anticipate a winter/spring 2008 date for the ceremony honoring the 2007 Malcolm Baldrige National Quality Award recipients. All Examiners will be notified via e-mail as soon as we have information from the White House on the date. Please be sure to notify Suzana Weaver of any changes to your e-mail, fax, or address. She can be reached by e-mail at [suzana.weaver@nist.gov](mailto:suzana.weaver@nist.gov) or by phone at (301) 975-4219.

Members of the Board of Examiners will be invited to all major events held in conjunction with the Award ceremony. An Examiner's spouse or friend may attend two of the events: the reception that takes place the night before the Presidential Ceremony and the Examiner Recognition Ceremony; however, additional guests are not permitted at the Presidential Ceremony.

### Plans Underway for The Quest For Excellence® XX

The official conference of the Malcolm Baldrige National Quality Award, The Quest for Excellence® (QE) XX, will be held April 22–25, 2008, at the Hilton Washington in Washington, D.C. This annual conference provides a forum for Award recipients to share their exceptional performance practices with worldwide leaders in business, education, health care, and nonprofit organizations. QE XX will showcase the 2007 Baldrige Award recipients, as well as feature a number of former Award recipients from all sectors. Much can always be learned at QE, and this year will be especially exciting as the Program also will be celebrating 20 years of Award recipients!



As the conference approaches, complete information, including online registration for all activities, will be available at [www.baldrige.nist.gov](http://www.baldrige.nist.gov).

The National Institute of Standards and Technology (NIST), the American Society for Quality (ASQ), and the American Society for Training and Development (ASTD) are co-sponsoring the conference.

### Baldrige Program to Celebrate its 20<sup>th</sup> Anniversary at QE

In conjunction with the QE conference, the Baldrige community will be celebrating its first 20 years of excellence! A 20<sup>th</sup>-anniversary video highlighting the Award recipients from 1998 to 2007 will be premiered as part of a dinner gala on April 22. In addition, the gala will feature recipients from each Award sector. The Baldrige Program hopes that many prior Award recipients will join us and that their senior leaders will participate at other QE sessions as well. Members of the Baldrige community throughout the years will surely want to come to this QE and participate in the celebration! Multiple registration options that include the gala will be available.



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# Update

## 2008 Changes to the Criteria Summarized

The Criteria for Performance Excellence (Business/Nonprofit, Education, and Health Care) have evolved significantly over time to help organizations address a dynamic environment, focus on strategy-driven performance, address concerns about governance and ethics, and, most recently, to consider the key decisions driving both short-term success and long-term organizational sustainability. The three Criteria have continually progressed toward a comprehensive, integrated systems perspective of overall organizational performance management.

Over the 20 years of the Baldrige Program, the changes to the Criteria have been revolutionary. They have evolved from having a specific focus on manufacturing quality to a comprehensive strategic focus on overall organizational competitiveness in all sectors, including nonprofit, education, and health care. Each year, the decision whether to revise the three Criteria must balance two important considerations. On one hand, there is a need for Criteria that are at the leading edge of validated management practice to help users address the increasingly complex challenges they face; on the other hand, there is a desire for the Criteria to remain stable in order to provide users continuity in their performance assessments. In 2007, the Baldrige Criteria (Business/Nonprofit, Education, and Health Care) were significantly revised to encourage organizations to consider carefully their strategic advantages, core competencies, and opportunities for innovation, and how these considerations drive key decisions on work systems (such as outsourcing, partnerships, and workforce decisions). In recognition of the challenges for organizations to address these opportunities, the decision was made to make no substantive revisions to the three Criteria for 2008.

A summary of the most significant changes in the Criteria booklets for 2008 follows:

- The order of information in the Criteria booklets has been changed to put the Criteria at the front.
- The Scoring System description and Scoring Guidelines have been revised, with significant revisions to the guidelines for evaluating Results Items.
- Two new diagrams have been added to illustrate (1) the role of Core Values and Concepts in underpinning the three Criteria and (2) maturity levels in organizational learning.
- “Strategic Advantages” has been added to the Glossary of Key Terms in all three Criteria.

Some wording improvements have been made in the Core Values and Concepts, the Criteria Response Guidelines, and throughout the Criteria booklets.

### ***Information Presentation***

In order to provide immediate access to the three Criteria, the Criteria themselves have been placed at the front of the *Criteria for Performance Excellence* booklets, with supporting information and guidance following. The information in the booklets now is presented in four sections: the Criteria for Performance Excellence (or Education Criteria for Performance Excellence or Health Care Criteria for Performance Excellence), About the Criteria, Scoring, and Application Information. Criteria users are encouraged to review all the information in the first three sections to facilitate their understanding and use of the Criteria for performance assessment and improvement. Potential applicants for the Award will need the information in the fourth section and in the separate *Baldrige Award Application Forms* booklet.

### ***Scoring System and Guidelines***

Four separate, but related, factors are now used for the evaluation of results: Levels (Le), Trends (T), Comparisons (C), and Integration (I), or LeTCI. Each dimension is described in the Scoring System description, and maturity in each dimension is described in the Scoring Guidelines at successive scoring ranges.

- Integration is a scoring factor for both Process Items and Results Items, reflecting the fact that integration should occur among an organization’s processes, their related results, and subsequent process improvements.
- The acronym for scoring results, LeTCI (“Let’s see”), represents what is needed to “see” how well your organization is performing.

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### ***New Diagrams***

Two new diagrams have been added to the Criteria booklets.

- A diagram that shows the relationship between the Criteria's Core Values and Concepts and the Criteria Items is included in all three Criteria booklets. While many specific relationships are possible, the Core Values or Concepts are shown in close proximity to the specific Criteria Process Categories with the most direct relationship. Furthermore, each Criteria Results Item is shown in close proximity to the Process Category to which it is most closely tied.
- A diagram that shows stages of increasing maturity and sophistication in organizational learning is included in all three Criteria booklets. Each component of the diagram is related to the scoring range that indicates that level of performance. The diagram illustrates maturity in organizational learning through an analogy for handling fires (from fighting fires to preventing fires).

### ***Glossary of Key Terms***

The term "Strategic Advantages" and, more specifically, the concept it embodies, is vital to determining an organization's competitive success and marketplace sustainability. Organizations frequently focus on the strategic challenges they face without equal attention to identifying and building on their strategic advantages. The term has been defined to help Criteria users consider all dimensions of their strategic advantages.

### **Examiner Application Opens**

The Examiner Application is now open. If you have applied or served as an Examiner before and do not have a personal identification number (PIN) and password to access your data, please contact the Baldrige Program Office at examappl@nist.gov or call the help line at (877) 237-9064.

New applicants can go to the Baldrige Web site at **www.baldrige.nist.gov** and click on the new applicant icon to access the online application. All applicants are required to apply online this year.

The Examiner Application will remain open until January 8, 2008, at 12:00 p.m. EST. Notification letters of selection will be sent via overnight mail on March 26, 2008.

### **Plans Underway for 2008 Examiner Training**

Plans are underway for the development of the 2008 Examiner training courses. The Baldrige Program's Examiner and Staff Development Team wishes to thank everyone who provided feedback following the 2007 Examiner training. The team is reviewing your input and making improvements based on your feedback.

Training will begin on Tuesday, April 29, 2008, and will continue through the week starting on Tuesday, May 20, 2008. It will be held at the Marriott Washingtonian in Gaithersburg, Maryland.

### **2007 Regional Conferences a Success**

The 2007 Regional Conferences took place on September 20 in Cleveland, Ohio, and on October 5 in Seattle, Washington. More than 400 attendees from the business, health care, education, and nonprofit sectors attended the conferences to learn about the best practices of past and present Baldrige Award recipients. The conferences were co-sponsored by the Ohio Partnership for Excellence, the Washington State Quality Award, the Nebraska Edgerton Award, and the Alliance for Performance Excellence.

The conferences featured plenary session presentations from senior leaders of the three 2006 Award recipients—Premier, Inc.; MESA Products, Inc.; and North Mississippi Medical Center—as well as concurrent and town hall sessions featuring current and past Baldrige Award recipients: Baptist Hospital, Inc.; Boeing recipient divisions; Bronson Methodist Hospital; Community Consolidated School District 15; DynMcDermott Petroleum Operations Company; Jenks Public Schools; Kenneth W. Monfort College of Business; Pearl River School District; Richland College; The Ritz-Carlton Hotel Company; Robert Wood Johnson University Hospital Hamilton; and the University of Wisconsin-Stout.



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In Cleveland, Boris Slogar, Executive Director of the Ohio Partnership for Excellence, opened the conference, and Jeff Lucas, Deputy Director of the Baldrige National Quality Program, moderated the opening session. The following Examiners served as moderators: Denise Haynes, Jerry Rampelt, and Mary Ulrich.

In Seattle, Jennifer Sprecher, Executive Director of the Washington State Quality Award, opened the conference, and Thom Schamberger, Executive Director of the Baldrige Foundation, moderated the opening session. The following Examiners served as moderators: Luis Calingo, Paul Steel, and John Van Gorkom.

The next regional conferences, featuring our 2007 Award recipients, will be held in the fall of 2008 in Colorado and Louisiana. For those conferences, the Baldrige Program will partner with Colorado Performance Excellence, the Louisiana Quality Foundation, and the Alliance for Performance Excellence.

## Baldrige Office On the Road

The Baldrige Program exhibited at a number of conferences in late 2007. These included the Association for Manufacturing Excellence (AME) annual conference in Chicago, Illinois, October 29–November 2; the National Quality in Education (NQCE) conference in St. Louis, Missouri, November 11–13; and The Institute for Healthcare Improvement (IHI) National Forum on Quality Improvement in Health Care in Orlando, Florida, December 9–12. In early 2008, the Baldrige Program plans to exhibit at the Conference on Quality in the Space and Defense Industries in Cape Canaveral, Florida, on March 3–4, and at the American College of Healthcare Executives (ACHE) Congress on Healthcare Management in Chicago, Illinois, on March 10–13. We hope to see you at these events!

## Examiners as Ambassadors

The following Baldrige Examiners, former Examiners, and volunteers reported outreach efforts between early September and late October: Nancy Askins, Ray Eldridge, Laurie Emerson, Kathleen Jennison-Goonan, Paul Grizzell, and John Werner. In addition, the following people requested the portable exhibit and/or Baldrige outreach materials: Mike Langridge, Sunil Sinha, Mike Strong, Barbara Terry, Frank Toda, and John Vinyard. We thank all of these ambassadors for their outreach activities on behalf of the Program. If you have conducted outreach efforts and wish to be recognized, please report your activities to the Baldrige Program's Outreach and Communications Team via fax at (301) 948-3716 or via e-mail at [nqp@nist.gov](mailto:nqp@nist.gov).

## NIST/ASQ NEWS

In October, Baldrige teams elected Team Leaders for one- to two-year assignments. For the Award Process Team, Pat Hilton was elected as Team Leader; she can be reached at (301) 975-2410 or [patricia.hilton@nist.gov](mailto:patricia.hilton@nist.gov). For the Examiner and Staff Development Team, Renée Norris was elected as Team Leader; she can be reached at (301) 975-6323 or [norrisr@nist.gov](mailto:norrisr@nist.gov). For the Outreach and Communications Team, Scott Kurtz will continue to serve as Team Leader; he can be reached at (301) 975-3199 or [scott.kurtz@nist.gov](mailto:scott.kurtz@nist.gov). And for the Publications Management Team, Christine Schaefer will continue to serve as Team Leader; she can be reached at (301) 975-4453 or [christine.schaefer@nist.gov](mailto:christine.schaefer@nist.gov).

Several Baldrige staff members received NIST awards at its 35<sup>th</sup> annual awards ceremony on December 5, 2007. Jacqueline Calhoun received a Bronze Medal Award for superior federal service for her work on the NIST report: *An Assessment of the U.S. Measurement System: Addressing Measurement Barriers to Accelerate Innovation*, the first-ever assessment of the capacity of the nation's measurement infrastructure to sustain U.S. innovation at a "world-leading pace." Robert Fangmeyer also received a Bronze Medal Award for superior federal service for his work in integrating the nonprofit sector into Baldrige's Award process. This work included "the most significant changes to the Baldrige Award process in its 20-year history": revising the eligibility rules, testing these rules for validity in the nonprofit sector, and leading a process redesign team to bring all applicants to consensus review. In addition, Sandra Byrne, Mary Eastman, Robert Fangmeyer, Mark Shapiro, and Barbara Uglik received George A. Uriano Awards for outstanding achievements by NIST staff in building and strengthening NIST programs. They were honored for their work on examinerdepot, in creating "a secure, reliable, Internet-based workspace" for Examiners.

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**Zara Brunner** joined the Outreach and Communications Team as a General Business Specialist at the end of October. Her recent experience includes working for the past two years as a Business Development Manager for the Washington, D.C., office of Winston & Strawn, L.L.P.; previously she worked for seven years at JAMS, the nation's largest private dispute resolution provider. While at JAMS, Zara served in a variety of roles, including as a board member on the company's foundation, as the Business Development Manager, and as the Business Manager of the Washington, D.C., office.

On a personal note, Zara enjoys spending time with her two young sons and husband, and, if she has any time left, she likes reading, interior decorating, cooking, walking, and hiking. She can be reached by telephone at (301) 975-2001 or by e-mail at [zahraha.brunner@nist.gov](mailto:zahraha.brunner@nist.gov). Welcome, Zara!

**Elif Karakas** joined the Administrative Support/Electronic Information Team as an Information Technology Specialist on October 15, 2007. Before joining the Baldrige Program, she worked as a Webmaster/Database Programmer at a private school in the Bethesda, Maryland, area. Much of Elif's work has focused on creating online applications in the ASP.NET environment, as well as developing and implementing Microsoft Access databases. She looks forward to using her experience to improve the databases and applications used by the Baldrige Program.

Elif received a master of internet technology (MIT) degree from the University of Georgia. She can be reached by telephone at (301) 975-3379 or by e-mail at [elif.karakas@nist.gov](mailto:elif.karakas@nist.gov). Welcome, Elif!

**Heather Zeitlin** of the Outreach and Communications Team left the Program on October 25, 2007. She was with us for about one year and a half and worked on a number of different outreach efforts, including supporting The Quest for Excellence Conference, the 2006 State and Local Workshop, and Improvement Day. Heather has been bravely fighting a serious illness over the last year and resigned to continue to concentrate on her health and her family. We will miss her and wish her the very best!

## Update The official newsletter for the Board of Examiners of the Malcolm Baldrige National Quality Award

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This Malcolm Baldrige National Quality Award newsletter is published on an as-needed basis.

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